UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

IN RE CRONOS GROUP INC. SECURITIES LITIGATION	Civil Action No. 2:20-cv-01310-ENV-JMW

NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT, AND MOTION FOR ATTORNEYS' FEES AND EXPENSES

If you purchased or otherwise acquired the publicly traded common stock of Cronos Group Inc. on the NASDAQ, or any other public U.S. market for trading stocks, during the period from May 9, 2019 through March 30, 2020, both dates inclusive (the "Class Period"), and were allegedly damaged thereby, irrespective of your country of residence, you may be entitled to a payment from a class action settlement.[1]

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

- This Notice describes important rights you may have and what steps you must take if you wish to participate in the Settlement of this securities class action (the "Action" or "U.S. Action"), wish to object, or wish to be excluded from the Settlement Class.
- If approved by the Court, the proposed Settlement will create a $10,000,000 (USD) fund, plus earned interest, for the benefit of eligible Settlement Class Members after the deduction of Court-approved attorneys' fees, expenses, and Taxes. This is an average recovery of approximately $0.06 per eligible Cronos share before deductions for awarded attorneys' fees and Litigation Expenses, and approximately $0.04 per eligible share after deductions for awarded attorneys' fees and Litigation Expenses.
- The Settlement resolves claims by Court-appointed Lead Plaintiff Keith D. Norman that have been asserted on behalf of the Settlement Class (defined below) against Defendants Cronos Group Inc. ("Cronos"), Michael Gorenstein, and Jerry F. Barbato. The Settlement avoids the costs and risks of continuing the litigation; pays money to eligible investors; and releases the Released Defendant Parties (defined below) from liability for the Released Plaintiff's Claims.
- Additionally, if you are a Settlement Class Member, you are also a member of the certified class ("Ontario Certified Class") in *Harpreet Badesha v. Cronos Group Inc. et al.*, CV-20-00641990-00CP, pending in the Ontario Superior Court of Justice (the "Ontario Action"), which you may have previously received a notice about. If you have not previously excluded yourself from the Ontario Certified Class, you currently have the right to participate in the Ontario Action and are bound by all orders in that lawsuit, whether favorable or unfavorable.
- If approved, the Settlement will release claims the Settlement Class Members advanced in the U.S. Action and the Ontario Action with respect to trading on the NASDAQ (or any other public U.S. market for trading stocks) and extinguish any entitlement of the Settlement Class Members to a future recovery obtained in the Ontario Action based on those claims in exchange for the Settlement Amount in the U.S. Action.
- As discussed below, Plaintiffs' counsel in the Ontario Action ("Ontario Class Counsel"), who was appointed by the Ontario Court in October 2023 to act for the Ontario Certified Class, opposes the proposed Settlement and objects to its approval.
- Claims about purchases on the Toronto Stock Exchange (the "TSX") and other public non-U.S. markets for trading stock are not released by the Settlement. *See* Questions 6 and 11 below for more information about the Ontario Action and requesting exclusion.

[1] The terms of the Settlement are in the Stipulation and Agreement of Settlement, dated December 2, 2025 (the "Stipulation"), which can be viewed at www.CronosUSSecuritiesSettlement.com. All capitalized terms not defined in this Notice have the same meanings as defined in the Stipulation.

If you are a Settlement Class Member, the Settlement will affect your legal rights whether you act or do not act. Please read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM BY NOVEMBER 9, 2026.	The only way to get a payment in this Action. *See* Question 9 for details.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY OCTOBER 29, 2026.	**Get no payment in this Action**. Assuming your claim is timely brought, this is the only option that might allow you to ever bring or continue to be part of any other lawsuit, including the Ontario Action, against Defendants and/or the other Released Defendant Parties concerning the Released Plaintiff's Claims. *See* Question 11 for details.
OBJECT BY OCTOBER 29, 2026.	Write to the Court about why you do not like the Settlement, the Plan of Allocation for distributing the proceeds of the Settlement, and/or Lead Counsel's Fee and Expense Application. If you object, you will still be in the Settlement Class. *See* Question 16 for details.
PARTICIPATE IN A HEARING ON NOVEMBER 19, 2026 AND FILE A NOTICE OF INTENTION TO APPEAR BY OCTOBER 29, 2026.	Ask to speak in Court at the Settlement Hearing about the fairness of the Settlement and other requested relief. *See* Questions 19 and 21 for details.
DO NOTHING	Get no payment. Give up all legal rights relating to the claims at issue. Still be bound by the terms of the Settlement, including the release of all "Released Plaintiff's Claims" asserted against the Released Defendant Parties. *See* Question 10 for details.

- These rights and options—**and the deadlines to exercise them—**are explained below.
- The Court in charge of this case still has to decide whether to approve the proposed Settlement. Payments will be made to all eligible Settlement Class Members who timely submit valid Claim Forms, if the Court approves the Settlement and after any appeals are resolved.

PSLRA SUMMARY OF THE NOTICE

Statement of the Settlement Class's Recovery

1. Lead Plaintiff has entered into the proposed Settlement with Defendants which, if approved by the Court, will resolve the Action in its entirety and related claims. Subject to Court approval, Lead Plaintiff, on behalf of the Settlement Class, has agreed to settle the Action in exchange for a payment of $10,000,000 (USD) in cash (the "Settlement Amount"), which will be deposited into an interest-bearing Escrow Account (the "Settlement Fund"). Based on Lead Plaintiff's consulting damages expert's estimate of the number of shares of Cronos publicly traded common stock purchased on NASDAQ (or any other public U.S. market for trading stocks) and eligible to participate in the Settlement, and assuming that all investors eligible to participate in the Settlement do so, it is estimated that the average recovery, before deduction of any Court-approved fees and expenses, such as attorneys' fees, Litigation Expenses, Taxes, and Notice and Administration Expenses, would be approximately $0.06 per eligible share. If the Court approves Lead Counsel's Fee and Expense Application (discussed below), the average recovery would be approximately $0.04 per eligible share. **These average recovery amounts are only estimates and Settlement Class Members may recover more or less than these estimates.** A Settlement Class Member's actual recovery will depend on, for example: (i) the number and value of claims submitted; (ii) the amount of the Net Settlement Fund; (iii) when and how many shares of Cronos publicly traded common stock the Settlement Class Member purchased on the NASDAQ, or any other public U.S. market for trading stocks; and (iv) whether and when the Settlement Class Member sold their common stock. *See* the Plan of Allocation beginning on page 16 for information about the calculation of your Recognized Claim.

Statement of Potential Outcome of Case if the Action Continued to Be Litigated

2. The Parties disagree about both liability and damages and do not agree about the amount of damages that would be recoverable if Lead Plaintiff were to prevail on each claim. The issues on which the Parties disagree include, for example: (i) whether Defendants made any statements or omissions that were materially misleading or were otherwise actionable under the federal securities laws; (ii) whether any such statements or omissions were made with the requisite level of intent; (iii) the amount by which the prices of Cronos publicly traded common stock was allegedly artificially inflated, if at all, during the Class Period; (iv) whether Defendants' statements or omissions caused class members' losses; and (v) the extent to which factors such as general market, economic and industry conditions influenced the trading prices of Cronos publicly traded common stock at various times.

3. Defendants have denied and continue to deny any and all allegations of wrongdoing or fault asserted in the Action, deny that they have committed any act or omission giving rise to any liability or violation of law, and deny that Lead Plaintiff and the Settlement Class have suffered any loss attributable to Defendants' actions or omissions.

Statement of Attorneys' Fees and Expenses Sought

4. Lead Counsel, on behalf of Plaintiff's Counsel,[2] will apply to the Court for attorneys' fees from the Settlement Fund in an amount not to exceed 33% of the Settlement Fund, which includes any accrued interest, or $3,300,000, plus accrued interest. Lead Counsel will also apply for payment of Litigation Expenses incurred in prosecuting the Action in an amount not to exceed $200,000, plus accrued interest, which may include an application pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA") for the reasonable costs and expenses (including lost wages) of Lead Plaintiff directly related to his representation of the Settlement Class. If the Court approves Lead Counsel's Fee and Expense Application in full, the average amount of fees and expenses is estimated to be approximately $0.02 per eligible share. A copy of the Fee and Expense Application will be posted on www.CronosUSSecuritiesSettlement.com after it has been filed with the Court.

Reasons for the Settlement

5. For Lead Plaintiff, the principal reason for the Settlement is the guaranteed cash benefit to the Settlement Class. This benefit must be compared to, among other factors, the risk that the Court may grant some or all of the Defendants' currently pending motion to dismiss the Second Amended Complaint, the uncertainty of being able to prove the allegations in the Second Amended Complaint and certify a litigation class; the difficulties and delays inherent in completing discovery; the risk that the Court may grant some or all of the anticipated summary judgment motions to be filed by Defendants; the risks of litigation, especially in complex securities actions like this; as well as the difficulties and delays inherent in such litigation (including any trial and appeals). For Defendants, who deny all allegations of wrongdoing or liability whatsoever and deny that Settlement Class Members were damaged, the principal reasons for entering into the Settlement are to end the burden, expense, uncertainty, and risk of further litigation.

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2 "Plaintiff's Counsel" are Labaton Keller Sucharow LLP ("Labaton") and The Schall Law Firm ("Schall Law").

<u>Identification of Representatives</u>

6. Lead Plaintiff and the Settlement Class are represented by Lead Counsel, Jake Bissell-Linsk, Labaton Keller Sucharow LLP, 140 Broadway, New York, NY 10005, (888) 219-6877, www.labaton.com, settlementquestions@labaton.com.

7. Further information regarding the Action, the Settlement, and this Notice may be obtained by contacting the Claims Administrator: *Cronos U.S. Securities Settlement*, c/o A.B. Data Ltd., P.O. Box 173088, Milwaukee, WI 53217, (877) 226-4986, www.CronosUSSecuritiesSettlement.com, info@CronosUSSecuritiesSettlement.com.

8. For questions about the Ontario Action, visit www.ontariocronosclassaction.com or you can contact Ontario Class Counsel by emailing cronos@kalloghlianmyers.com or calling (647) 969-4472.

Please Do Not Call the Court with Questions About the Settlement.

BASIC INFORMATION

1. Why did I get the Postcard Notice?

9. You may have received a Postcard Notice about the proposed Settlement. This long-form Notice provides additional information about the Settlement and related procedures. The Court authorized that the Postcard Notice be sent to you because you or someone in your family may have purchased or acquired Cronos publicly traded common stock on the NASDAQ, or another public U.S. market for trading stocks, during the Class Period. **Receipt of the Postcard Notice does not mean that you are a Member of the Settlement Class or that you will be entitled to receive a payment. The Parties to the Action do not have access to your individual investment information. If you wish to be eligible for a payment, you are required to submit the Claim Form that is available at <u>www.CronosUSSecuritiesSettlement.com</u>. *See* Question 9 below.**

10. The Court directed that the Postcard Notice be sent to Settlement Class Members because they have a right to know about the proposed Settlement of this class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement.

11. The Court in charge of the Action is the United States District Court for the Eastern District of New York, and the case is known as *In re Cronos Group Inc. Securities Litigation*, Case No. 2:20-cv-01310-ENV-JMW (E.D.N.Y.). The Action is assigned to the Honorable Eric N. Vitaliano, United States District Judge.

2. How do I know if I am part of the Settlement Class?

12. The Court directed that everyone who fits the following description is a Settlement Class Member and subject to the Settlement, unless they are an excluded person (*see* Question 3 below) or take steps to exclude themselves from the Settlement Class (*see* Question 11 below):

> all persons and entities, irrespective of country of residence, who or which purchased or otherwise acquired the publicly traded common stock of Cronos Group Inc. on the NASDAQ, or any other public U.S. market for trading stocks, during the period from May 9, 2019 through March 30, 2020, both dates inclusive, and were allegedly damaged thereby.

13. You may be a member of the Settlement Class if you purchased Cronos common stock on the NASDAQ or another public U.S. market. All members of the Settlement Class are also members of the Ontario Certified Class. If you purchased shares **only** on the TSX, you **are not** a member of the Settlement Class, though you may be a member of the Ontario Certified Class.

14. If one of your mutual funds purchased Cronos publicly traded common stock during the Class Period, that does not make you a Settlement Class Member, although your mutual fund may be. You are a Settlement Class Member only if you individually purchased Cronos publicly traded common stock on the NASDAQ or another public U.S. market during the Class Period.

15. Check your investment records or contact your broker to see if you have any eligible purchases or acquisitions. Look for trades on the NASDAQ, a U.S. market, or in U.S. Dollars. **<u>The Parties to the Action do not independently have access to your trading information.</u>**

3. Are there exceptions to being included?

16. Yes. There are some individuals and entities who are excluded from the Settlement Class by definition. Excluded from the Settlement Class are: (i) Defendants; (ii) members of the immediate family of any Defendant who is an individual; (iii) all directors, officers or other employees of Cronos during the Class Period; (iv) any firm, trust, corporation, or other entity in which any Defendant has or had a controlling or beneficial interest; (v) Cronos's employee retirement and benefit plan(s) and their participants or beneficiaries, to the extent they made purchases through such plan(s); and (vi) the legal representatives, affiliates, control persons, heirs, successors-in-interest, or assigns of any such excluded persons. **Purchases and acquisitions of Cronos common stock on the TSX or any non-U.S. public market for trading stocks are not part of the definition of the Settlement Class and are not impacted by the Settlement.** Also excluded from the Settlement Class are any persons or entities who timely and validly seek exclusion from the Settlement Class in accordance with the procedures described in Question 11 below.

4. Why is this a class action?

17. In a class action, one or more persons or entities (in this case, Lead Plaintiff) sue on behalf of people and entities who have similar claims. Together, these people and entities are a "class," and each is a "class member." A class action allows one court to resolve, in a single case, many similar claims that, if brought separately by individual people, might be too small economically to litigate. One court resolves the issues for all class members at the same time, except for those who exclude themselves, or "opt-out," from the class. In this Action, the Court has appointed Keith D. Norman as Lead Plaintiff and Labaton Sucharow LLP (n/k/a Labaton Keller Sucharow LLP) to serve as Lead Counsel.

5. What is this case about and what has happened so far?

18. Cronos is a global medical and legal cannabinoid company with operations in Canada and Israel, as well as distribution in additional international markets. During the Class Period, Cronos sought to establish various brands of cannabis products in different markets, develop a supply chain, and develop intellectual property related to cannabis products. The Action is based on allegations that Defendants made false and misleading statements about Cronos's revenue during the Class Period, as a result of improper revenue recognition related to three "round trip" transactions that led to restatements reducing its 1Q2019 and 3Q2019 revenue.

This Action

19. By Order dated October 22, 2020, and pursuant to the PSLRA, the Court: (i) appointed Keith D. Norman as Lead Plaintiff; (ii) approved Labaton as Lead Counsel; and (iii) renamed the Action *In re Cronos Group Inc. Securities Litigation*, No. 1:20-cv-01310-ENV-SIL.

20. On November 23, 2020, Lead Plaintiff filed the Consolidated Amended Class Action Complaint alleging that Cronos and its senior executives, Michael Gorenstein (Cronos's Chairman, President, and Chief Executive Officer) and Jerry F. Barbato (Cronos's Chief Financial Officer), violated Section 10(b) of the Exchange Act of 1934 ("Exchange Act") and, for the Individual Defendants, Section 20(a) of the Exchange Act.

21. Prior to filing the Complaint, Lead Plaintiff, through Lead Counsel, conducted its own investigation relating to the claims, defenses, and underlying events and transactions that are the subject of the Action. This process included reviewing and analyzing: (i) documents filed with the Ontario Securities Commission and Ontario Capital Markets Tribunal ("OSC") in Canada and the U.S. Securities and Exchange Commission ("SEC"); (ii) securities analysts' reports and advisories about Cronos; (iii) press releases and other public statements issued by Cronos; (iv) media reports about Cronos; (v) other publicly available information; and (vi) consultation with experts in the cannabis industry and in areas of accounting and damages. Additionally, Lead Plaintiff, through Lead Counsel, contacted and interviewed former employees of Cronos to discuss issues related to the Action.

22. On January 15, 2021, the Court adopted the Parties' proposed briefing schedule for Defendants' motion to dismiss the Complaint. As directed in the schedule, the Defendants' motion to dismiss, Lead Plaintiff's opposition, and Defendants' reply were fully briefed and filed on April 22, 2021.

23. On November 11, 2023, the Court issued an order granting Defendants' motion to dismiss the Complaint with prejudice. The Court determined that the allegations, taken collectively, did not adequately plead the required level of intent, "scienter," under Section 10(b) of the Exchange Act and, as a result, also dismissed Lead Plaintiff's claims under Section 20(a) of the Exchange Act.

24. On December 1, 2023, Lead Plaintiff moved for reconsideration of the dismissal order, seeking permission to amend based on additional information contained in regulatory materials made available from investigations by the SEC and the OSC. Defendants opposed the motion on December 29, 2023 and Lead Plaintiff filed his reply on January 12, 2024.

25. On November 29, 2024, the Court granted Lead Plaintiff's motion for reconsideration and permitted Lead Plaintiff to file a further amended complaint and for Defendants to file another motion to dismiss.

26. On January 10, 2025, Lead Plaintiff filed the Second Amended Class Action Complaint.

27. On March 11, 2025, Defendants served their motion to dismiss the Second Amended Complaint, which is currently pending. On May 12, 2025, Lead Plaintiff served his opposition to Defendants' motion to dismiss. Formal discovery has been stayed while the motion to dismiss has been pending, pursuant to the PSLRA.

The Ontario Action

28. On June 3, 2020, after the initial complaint was filed in the Action, but before Lead Plaintiff was appointed or the Consolidated Amended Class Action Complaint was filed in the Action, a different Cronos shareholder filed a statement of claim in the Ontario Superior Court of Justice called *Harpreet Badesha v. Cronos Group, Inc. et al*., Court File No. CV-20-00641990-00CP (Ontario Sup. Ct. Justice). In addition to naming the Defendants, the statement of claim named other of Cronos's current and former directors, officers and employees as defendants: William Hilson, Kevin Crosthwaite Jr., Bronwen Evans, Murray Garnick, Bruce Gates, Jason Adler, James Rudyk, Jody Begley, Alan Friedman, and Michael Coates.

29. The Ontario Action statement of claim alleged the same revenue recognition misstatements as the complaints in this Action. It similarly alleged that Defendants made misrepresentations to investors about the Company's revenue. The Ontario Action statement of claim asserted violations of Ontario securities laws.

30. Plaintiff in the Ontario Action moved for permission to proceed and for class certification. On June 28, 2021, the Ontario Court denied these motions. Plaintiff in the Ontario Action appealed as to Cronos, Gorenstein and Barbato, but declined to continue to pursue claims against the other defendants named in the statement of claim. On September 22, 2022, the Court of Appeal for Ontario granted the plaintiff in the Ontario Action leave to proceed under the Ontario Securities Act, and remitted the issue of whether the Ontario Action should be certified as a class proceeding back to the Ontario Court.

31. On October 10, 2023, the Ontario Court certified the class in the Ontario Action, which it defined as: "all persons and entities who, during the period from May 9, 2019 at 6:59 a.m. ET to March 30, 2020 at 4:33 p.m. ET, acquired Cronos shares in the secondary market other than Excluded Persons." "Excluded Persons" in the Ontario Action means: "(i) Cronos and its subsidiaries, affiliates, officers, directors, senior employees, legal representatives, heirs, predecessors, successors and assigns, Michael Gorenstein or Jerry Barbato and any member of their families and any entity in which any of them has or had during the Class Period any legal or de facto controlling interest; and (ii) all persons and entities who sold or otherwise disposed of all their Cronos shares before February 24, 2020 at 7:30 a.m. ET." The Ontario Certified Class includes shareholders who purchased shares anywhere in the world, including the TSX and the NASDAQ. Therefore, all members of the Settlement Class are also members of the Ontario Certified Class.

32. On October 10, 2023, the Ontario Court also denied a motion brought by the Defendants in the Ontario Action to dismiss the claims advanced in the Ontario Action, on behalf of investors that purchased Cronos shares on the NASDAQ, on the grounds that those claims should be decided by the U.S. Court.

33. On January 22, 2024, the Ontario Court approved notice of the class certification and an opt-out deadline of July 22, 2024. Notice was sent in March 2024, and the opt-out deadline for the Ontario Action has since passed. Thirty-two opt-outs were received, representing 20,355 shares.

34. No trial date has yet been set in the Ontario Action. Further information about the Ontario Action is available at www.ontariocronosclassaction.com.

Negotiation of the Proposed Settlement

35. In early 2025, the Parties to the U.S. Action began to explore the possibility of reaching a negotiated resolution of the Action and engaged Robert Meyer of JAMS to mediate this Action. (Ontario Class Counsel was not involved.) In advance of the mediation, the Parties exchanged mediation statements. On May 16, 2025, the Parties engaged in a full-day, in person mediation session with the Mediator. Although the Parties did not reach an agreement to settle the Action by the conclusion of the mediation session, they continued negotiations with the assistance of the Mediator thereafter. On May 19, 2025, the Mediator made a formal mediator's proposal that the Parties settle on terms including a $10 million settlement payment, without Defendants admitting any liability or wrongdoing (subject to agreement on more detailed terms,

settlement documentation and Court approval). That same day, each of the Parties accepted the Mediator's proposal, thereby reaching an agreement in principle to settle the Action.

36. The Parties' agreement in principle was subsequently memorialized in a confidential term sheet dated as of June 1, 2025 and the Stipulation was executed on December 2, 2025.

6. What are the key differences between this Action and the Ontario Action?

37. Although this Action and the Ontario Action both generally allege that the same statements to shareholders were false or misleading, the cases also have a number of differences. Some of the differences are summarized below, and they are subject to change as the cases continue to be litigated.

	This Action	**Ontario Action**
Defendants	Cronos Group, Inc., Michael Gorenstein, and Jerry Barbato.	Cronos Group, Inc., Michael Gorenstein, and Jerry Barbato.
Class Definition	All persons and entities, irrespective of country of residence, who or which purchased or otherwise acquired the publicly traded common stock of Cronos on the NASDAQ, or any other public U.S. market for trading stocks, during the period May 9, 2019 to March 30, 2020, other than Excluded Persons. If you request exclusion now, and your request is granted by the Court, you will no longer be a Settlement Class Member.	All persons and entities who, during the period May 9, 2019 at 6:59 a.m. ET to March 30, 2020 at 4:33 p.m. ET acquired Cronos's shares in the secondary market anywhere in the world (including on the TSX or NASDAQ), other than Excluded Persons. **NOTE**: If the Settlement is approved, Defendants plan to seek to have this definition changed to exclude Settlement Class Members' purchases on the NASDAQ and other public U.S. markets for trading stock.
Pleading Standard	Complaint must allege securities fraud claims with particularity.	The action must allege claims for which there is a reasonable possibility that the action will be resolved at trial in favor of the plaintiff.
Defendants' Statements	Plaintiff must allege and prove that Defendants' statements or omissions were materially false or misleading and made in connection with the purchase or sale of a security.	Plaintiff must allege and prove that Defendants' public disclosures contained untrue statements of fact which would reasonably be expected to have a significant effect on the market price or value of the securities.
Defendants' Intent	Plaintiff must allege and prove that the Defendants' misstatements or omissions were made with fraudulent intent.	Plaintiff is not required to prove the misstatements were made with fraudulent intent. Defendants may be held not liable if they can establish that: (i) they conducted a reasonable investigation before making the statement; and (ii) at the time the statement was made they had no reasonable grounds to believe that the statement was a misrepresentation.
Shareholder Reliance	Plaintiff must allege and prove that they relied on Defendants' misstatements or omissions in making their investment decisions. Alternatively, Plaintiff may invoke a rebuttable presumption of reliance if the securities trade in an efficient market.	Plaintiff need not establish shareholder reliance.

	This Action	Ontario Action
Loss Causation	Plaintiff must allege and prove that Defendants' misstatements or omissions caused Plaintiff's losses.	Plaintiff need not prove causation between the misstatement and plaintiff's losses, but must establish that the misstatements would reasonably be expected to have a significant effect on the market price or value of the securities.
Motion to Dismiss/Leave to Proceed	After the Action was initially dismissed by the Court, Plaintiff obtained the Court's permission to file a further amended Complaint. Defendants' motion to dismiss that Complaint was not decided before this Settlement was agreed.	After the Ontario Action was initially dismissed, the appellate court reversed the dismissal and granted plaintiff leave to proceed with the claims.
Discovery	At the time of the Settlement, formal discovery between the Parties was stayed by statute and had not begun.	Discovery has begun and the majority of discovery is complete.
Class Certification	Plaintiff has not yet filed a motion for class certification.	Following an appeal, the Ontario Court approved certification of the class.
Trial Date	Not yet scheduled.	Not yet scheduled.
Jury Trial	The Action would be tried before a jury.	A jury demand has not been made in the Ontario Action.
Damages	Class members can recover damages for losses caused by the misstatements or omissions, subject to certain statutory limits. The Settlement Amount, which represents a compromise, is less than the amount potentially recoverable if Plaintiff ultimately prevailed at trial.	Damages are determined by a statutory formula, subject to certain statutory limits. Damages in the Ontario Action could substantially exceed the Settlement Amount if plaintiff prevails in that action or could be less than the Settlement Amount or zero if Defendants prevail. At the time of this Notice, there is no recovery or settlement in the Ontario Action.

7. What are the reasons for the Settlement?

38. The Court did not finally decide in favor of Lead Plaintiff or Defendants. Instead, both sides agreed to a settlement. Lead Plaintiff and Lead Counsel believe that the claims asserted in the Action have merit. They recognize, however, the expense and length of continued proceedings needed to pursue the claims through trial and appeals, as well as the difficulties in establishing liability and damages. Assuming the claims proceeded to trial, the Parties would present factual and expert testimony on each of the disputed issues, and there is risk that the Court or jury would resolve these issues unfavorably against Lead Plaintiff and the class. In light of the Settlement and the guaranteed cash recovery to the Settlement Class, Lead Plaintiff and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Settlement Class.

39. Defendants have denied and continue to deny each and every one of the claims alleged by Lead Plaintiff in the Action, including all claims in the Second Amended Complaint, and specifically deny that they have committed any act or omission giving rise to any liability or violation of law. Nonetheless, Defendants have concluded that continuation of the Action would be protracted and expensive, and have taken into account the uncertainty and risks inherent in any

litigation, especially a complex case like this Action. Defendants also wish to avoid the uncertainty, risks, and expense of continuing to litigate the Released Plaintiff's Claims on a class wide basis in the Ontario Action.

THE SETTLEMENT BENEFITS

8. What does the Settlement provide?

40. In exchange for the Settlement and the release of the Released Plaintiff's Claims against the Released Defendant Parties (*see* Question 10 below), Cronos has agreed to cause a $10,000,000 payment to be made, which, along with any interest earned, will be distributed, after deduction of Court-awarded attorneys' fees and Litigation Expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court (the "Net Settlement Fund"), to Settlement Class Members who submit valid and timely Claim Forms and are found to be eligible to receive a distribution from the Net Settlement Fund.

9. How can I receive a payment?

41. To qualify for a payment from the Net Settlement Fund, you must submit a timely and valid Claim Form. A Claim Form may be obtained from the websites www.CronosUSSecuritiesSettlement.com and www.labaton.com or you can submit a claim online at www.CronosUSSecuritiesSettlement.com. You can also request that a Claim Form be mailed to you by calling the Claims Administrator toll-free at (877) 226-4986.

42. Please read the instructions contained in the Claim Form carefully, fill out the form, include all the documents the form requests, sign it, and mail or submit it online to the Claims Administrator so that it is **postmarked or received no later than November 9, 2026.**

10. What am I giving up to receive a payment and by staying in the Settlement Class?

43. If you are a Settlement Class Member and do not timely and validly exclude yourself from the Settlement Class, you will remain in the Settlement Class and that means that, upon the Effective Date of the Settlement, you will release all Released Plaintiff's Claims against the Released Defendant Parties, including your claims in the Ontario Action as a member of the Ontario Certified Class based on purchases of Cronos stock on the NASDAQ or other U.S. exchanges. All of the Court's orders about the Settlement, whether favorable or unfavorable, will apply to you and legally bind you.

44. "**Released Plaintiff's Claims**" means any and all:

i. claims and causes of action of every nature and description, whether known or Unknown (as defined below), contingent or absolute, mature or not mature, liquidated or unliquidated, accrued or not accrued, concealed or hidden, regardless of legal or equitable theory and whether arising under federal, state, common, or foreign law, including Canadian securities laws, Canadian federal and provincial laws and Canadian common law, that

ii. Lead Plaintiff or any other member of the Settlement Class asserted in the Action or could have asserted in the Action, or in any court or forum, whether foreign or domestic, including the Ontario Superior Court of Justice, that

iii. arise out of or are based upon both: (1) the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the complaints filed in the Action, and (2) the purchase, acquisition, or sale of Cronos publicly traded common stock on the NASDAQ, or any other public U.S. market for trading stocks, during the Class Period.

iv. Released Plaintiff's Claims include the claims asserted in the Ontario Action, *Harpreet Badesha v. Cronos Group Inc. et al.,* CV-20-00641990-00CP (Ontario Sup. Ct. Justice), that arise out of or are based on the purchase, acquisition, or sale of Cronos publicly traded common stock on the NASDAQ, or any other public U.S. market for trading stocks, during the Class Period.

v. Released Plaintiff's Claims do not include: (1) claims to enforce the Settlement; (2) claims in any shareholder derivative action; (3) claims that arise out of or are based on purchases/acquisitions of Cronos shares on the TSX, or any other non-U.S. exchange during the Class Period; and (4) the claims of any regulatory or governmental body, or the right of Settlement Class Members to recover therefrom.

45. "**Released Defendant Parties**" means:

i. each Defendant;

ii. the family members of the Individual Defendants;

iii. direct or indirect parent entities, direct and indirect subsidiaries, related entities, and all affiliates of Cronos;

iv. any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant or his family members;

v. any firm, trust, corporation or other entity in which a Defendant has a controlling interest; and

vi. for any of the persons or entities listed in parts (i) through (v), as applicable, their respective past, present, and future parents, direct or indirect subsidiaries, affiliates, divisions, general partners, limited partners, principals, members, shareholders, joint ventures, officers, directors, managers, managing directors, supervisors, employees, contractors, consultants, experts, auditors, accountants, advisors, underwriters, insurers, reinsurers, indemnitors, trustees, trustors, agents, attorneys, predecessors, successors, assigns, heirs, executors, administrators, estate, and any controlling person thereof, all in their capacities as such (each of the foregoing, a "**Released Defendant Party**").

46. "**Unknown Claims**" means any and all Released Plaintiff's Claims that Lead Plaintiff or any other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Parties, and any and all Released Defendants' Claims that any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Plaintiff Parties, which if known by him, her, or it might have affected his, her, or its decision(s) with respect to the Settlement, including but not limited to the decision to object to the terms of the Settlement or to exclude himself, herself, or itself from the Settlement Class. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date, Lead Plaintiff and Defendants shall expressly, and each other Settlement Class Member shall be deemed to have, and by operation of the Judgment shall have, to the fullest extent permitted by law, expressly waived and relinquished any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or foreign law, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

> **A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**

Lead Plaintiff, other Settlement Class Members, or Defendants may hereafter discover facts, legal theories, or authorities in addition to or different from those which any of them now knows or believes to be true with respect to the subject matter of the Released Plaintiff's Claims and the Released Defendants' Claims, but Lead Plaintiff and Defendants shall expressly, fully, finally, and forever waive, settle, discharge, extinguish, and release, and each Settlement Class Member shall be deemed to have waived, settled, discharged, extinguished, and released, and upon the Effective Date and by operation of the Judgment shall have waived, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Plaintiff's Claims and Released Defendants' Claims as applicable, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. Lead Plaintiff and Defendants acknowledge, and other Settlement Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Plaintiff's Claims and Released Defendants' Claims was separately bargained for and was a material element of the Settlement.

47. The "**Effective Date**" will occur when, among other things, an Order entered by the Court approving the Settlement becomes Final and is not subject to appeal and there is a Final order by the Ontario Court, or equivalent relief, amending the definition of the certified class in the Ontario Action to exclude claims based on purchases by members of the Settlement Class on the NASDAQ or any other public U.S. market for trading stock.

48. Upon the Effective Date, Defendants will also provide a release of any claims against Lead Plaintiff, the Settlement Class, and Plaintiff's Counsel in accordance with the terms of the Stipulation.

EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS

49. If you want to keep any right you may have to sue or continue to sue Defendants and the other Released Defendant Parties on your own or in the Ontario Action about the Released Plaintiff's Claims, then you must take steps to remove yourself from the Settlement Class. This is called excluding yourself or "opting out." **Please note: If you decide to exclude yourself from the Settlement Class, you cannot recover from the Settlement and there is a risk that any lawsuit you may file to pursue claims alleged in the Action may be dismissed, including because your lawsuit is not filed within the applicable time periods required for filing suit. Also, if you exclude yourself from the Settlement Class you will remain a member of the Ontario Certified Class and will be bound by all orders in the Ontario Action, whether favorable or unfavorable.** Defendants have the option to terminate the Settlement if a certain amount of Settlement Class Members request exclusion.

50. If you bought Cronos shares on the TSX or a non-U.S. market during the Class Period, you are not required to exclude yourself now in order to pursue claims about those purchases in the Ontario Action. **You can stay in the Settlement Class *and* continue to pursue claims arising from non-U.S. market purchases in the Ontario Action.**

11. How do I exclude myself from the Settlement Class?

51. To exclude yourself from the Settlement Class, you must send via email or mail a signed letter stating that you request to be "excluded from the Settlement Class in *In re Cronos Group Inc. Securities Litigation*, No. 20-cv-01310-ENV (E.D.N.Y.)." You cannot exclude yourself by telephone. Each request for exclusion must also: (i) state the date(s), price(s), and number(s) of shares for each purchase and sale (if any) of Cronos publicly traded common stock purchased or otherwise acquired on the NASDAQ, or any other public U.S. market for trading stocks, during the Class Period, and (ii) be signed by the Person requesting exclusion. Requests must be submitted with documentary proof of all purchases during the Class Period. A request for exclusion must be sent so that it is **received no later than October 29, 2026** at:

Cronos U.S. Securities Settlement
c/o A.B. Data, Ltd.
P.O. Box 173088
Milwaukee, WI 53217
info@CronosUSSecuritiesSettlement.com

52. This information is needed to determine whether you are a member of the Settlement Class. Your exclusion request must comply with these requirements in order to be valid, unless it is allowed by the Court.

53. If you ask to be excluded, **do not submit a Claim Form because you cannot receive any payment from the Net Settlement Fund**. Also, you cannot object to the Settlement because you will not be a Settlement Class Member and the Settlement will not affect you. If you submit a timely and valid exclusion request, you will not be legally bound by anything that happens in the Action, and you may be able to sue (or continue to sue) Defendants and the other Released Defendant Parties about the Released Plaintiff's Claims in the future or in the Ontario Action.

12. If I do not exclude myself, can I sue Defendants and the other Released Defendant Parties for the same reasons later?

54. No. Unless you properly exclude yourself, you will give up any rights to sue Defendants and the other Released Defendant Parties for any and all Released Plaintiff's Claims. (But remember, if you bought Cronos shares on the TSX or a non-U.S. market during the Class Period, claims about those purchases can continue in the Ontario Action). If you have a pending lawsuit against any of the Released Defendant Parties, **speak to your lawyer in that case immediately**. You must exclude yourself from this Settlement Class to continue your own lawsuit about the claims being settled. Remember, the exclusion deadline is **October 29, 2026.**

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

55. Labaton Keller Sucharow LLP is Lead Counsel in the Action and represents all Settlement Class Members in the Action. You will not be separately charged for these lawyers. The Court will determine the amount of attorneys' fees and Litigation Expenses, which will be paid from the Settlement Fund. If you want to be represented by your own lawyer in connection with the Action, you may hire one at your own expense.

14. Do I have a lawyer in the Ontario Action?

56. Kalloghlian Myers LLP is Ontario Class Counsel and represents all members of the Ontario Certified Class in the Ontario Action. You are not being separately charged for these lawyers. The Ontario Court will determine the amount of legal fees that will be paid out of any recovery obtained in the Ontario Action at the conclusion of that case, if there is a recovery.

15. How will the lawyers be paid in the U.S. Action if the Settlement is approved?

57. Lead Counsel and other Plaintiff's Counsel have been prosecuting the Action on a contingent basis and have not been paid for any of their work. Lead Counsel, on behalf of itself and Plaintiff's Counsel, will seek an attorneys' fee award of no more than 33% of the Settlement Fund, which will include accrued interest. The Fee and Expense Application will be made collectively on behalf of Labaton Keller Sucharow LLP, located at 140 Broadway, 34th Floor, New York, NY 10005, and The Schall Law Firm, located at 1880 Century Park East, Suite 404, Los Angeles, California 90067. Any attorneys' fees awarded by the Court will be divided between Labaton (at least 82.5% of awarded fees) and Schall Law (up to 17.5% of awarded fees) pursuant to a fee sharing agreement between them.

58. Lead Counsel will also seek payment of Litigation Expenses incurred by Plaintiff's Counsel in the prosecution of the Action of no more than $200,000, plus accrued interest, which may include an application in accordance with the PSLRA for the reasonable costs and expenses (including lost wages) of Lead Plaintiff directly related to his representation of the Settlement Class. As explained above, any attorneys' fees and expenses awarded by the Court will be paid from the Settlement Fund.

OBJECTING TO THE SETTLEMENT, THE PLAN OF ALLOCATION, OR THE FEE AND EXPENSE APPLICATION

16. How do I tell the Court that I do not like something about the proposed Settlement?

59. If you are a Settlement Class Member, you can object to the Settlement or any of its terms, the proposed Plan of Allocation of the Net Settlement Fund, and/or Lead Counsel's Fee and Expense Application. You may write to the Court about why you think the Court should not approve any or all of the Settlement terms or related relief. If you would like the Court to consider your views, you must file a proper objection within the deadline, and according to the following procedures.

60. To object, you must send a signed letter stating that you object to the proposed Settlement, the Plan of Allocation, and/or the Fee and Expense Application in "*In re Cronos Group Inc. Securities Litigation*, No. 20-cv-01310-ENV (E.D.N.Y.)." The objection must also: (a) state the name, address, telephone number, and email address of the objector and must be signed by the objector; (b) state the objection(s) and the specific reasons for each objection, including whether it applies only to the objector, to a specific subset of the Settlement Class, or to the entire Settlement Class, and any legal and evidentiary support, and witnesses, the Settlement Class Member wishes to bring to the Court's attention; and (c) include documents sufficient to prove the objector's membership in the Settlement Class, such as the date(s), price(s), and number(s) of shares of Cronos publicly traded common stock purchased or otherwise acquired on the NASDAQ, or any other public U.S. market for trading stocks, during the Class Period. Objectors who are represented by counsel must also provide the name, address and telephone number of all counsel, if any, who represent them; the number of times the objector and their counsel have filed an objection to a class action settlement in the last five years; the nature of each such objection in each case; and the name and docket number of each case.

61. Unless otherwise ordered by the Court, any Settlement Class Member who does not object in the manner described in this Notice will be deemed to have waived any objection and will be unable to make any objection to the proposed Settlement, the Plan of Allocation, and/or Lead Counsel's Fee and Expense Application.

62. Your objection must be filed with the Court **no later than October 29, 2026** **and** be served by hand or by mail to the following counsel so that it is **received no later than October 29, 2026:**

Court	Lead Counsel	Defendants' Counsel
Clerk of the Court U.S. District Court Eastern District of New York 225 Cadman Plaza East Brooklyn, NY 11201	**Labaton Keller Sucharow LLP** Jake Bissell-Linsk, Esq. 140 Broadway New York, NY 10005	**Sullivan & Cromwell LLP** David M.J. Rein, Esq. 125 Broad Street New York, NY 10004

63. You do not need to attend the Settlement Hearing to have your written objection considered by the Court. However, any Settlement Class Member who has complied with the procedures described in this Question 16 and below in Question 21 may appear at the Settlement Hearing and be heard, to the extent allowed by the Court. An objector may appear in person or arrange, at his, her, or its own expense, for a lawyer to represent him, her, or it at the Settlement Hearing.

17. What is the difference between objecting and seeking exclusion?

64. Objecting is telling the Court that you do not like something about the proposed Settlement, Plan of Allocation, or Lead Counsel's Fee and Expense Application. You can still recover money from the Settlement. You can object *only* if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself from the Settlement Class, you have no basis to object because the Settlement and the Action no longer affect you.

18. Why does Ontario Class Counsel object to the Settlement?

65. Ontario Class Counsel have told Lead Counsel and Defendants' Counsel that they object to the proposed Settlement. They believe the damages in the Ontario Action could be much higher than the $10 million Settlement Amount, and the Settlement Amount is an insufficient amount for the release of the Released Plaintiff's Claims in the Ontario Action.

66. Any objection by Ontario Class Counsel must be filed with the Court and, once it is filed, will be posted at www.CronosUSSecuritiesSettlement.com.

67. If you have any questions or concerns about Ontario Class Counsel's objection, or if you wish to speak to Ontario Class Counsel regarding your specific situation, including your right to object or to opt out, or about anything related to the Ontario Action, including but not limited to the proposed Settlement, you can contact Ontario Class Counsel by emailing cronos@kalloghlianmyers.com, calling (647) 969-4472, or visiting www.kalloghlianmyers.com/cronos.

THE SETTLEMENT HEARING

19. When and where will the Court decide whether to approve the Settlement?

68. The Court will hold the Settlement Hearing on **November 19, 2026 at 11:00 a.m.** (ET) either remotely or in person, at the United States District Court for the Eastern District of New York, United States Courthouse, Courtroom 4 C S, 225 Cadman Plaza East, Brooklyn, NY 11201.

69. At this hearing, the Court will consider whether: (i) the Settlement is fair, reasonable, adequate, and should be approved; (ii) the Plan of Allocation is fair and reasonable, and should be approved; and (iii) the application of Lead Counsel for an award of attorneys' fees and payment of Litigation Expenses is reasonable and should be approved. The Court will take into consideration any written objections filed in accordance with the instructions in Question 16 above. We do not know how long it will take the Court to make these decisions.

70. The Court may change the date and time of the Settlement Hearing, or hold the hearing remotely, without another individual notice being sent to Settlement Class Members. If you want to attend the hearing, you should check with Lead Counsel beforehand to be sure that the date and/or time has not changed, or periodically check the Settlement website at www.CronosUSSecuritiesSettlement.com to see if the Settlement Hearing has stayed as scheduled or has changed.

20. Do I have to come to the Settlement Hearing?

71. No. Lead Counsel will answer any questions the Court may have. But, you are welcome to attend at your own expense. If you submit a valid and timely objection, the Court will consider it and you do not have to come to Court to discuss it. You may have your own lawyer attend (at your own expense), but it is not required. If you do hire your own lawyer, he or she must file and serve a Notice of Appearance in the manner described in the answer to Question 21 below **no later than October 29, 2026**.

21. May I speak at the Settlement Hearing?

72. You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must, **no later than October 29, 2026,** submit a statement that you, or your attorney, intend to appear in "*In re Cronos Group Inc. Securities Litigation*, No. 20-cv-01310-ENV (E.D.N.Y.)." If you intend to present evidence at the Settlement Hearing, you must also include in your objections (prepared and submitted according to the answer to Question 16 above) the identities of any witnesses you may wish to call to testify and any exhibits you intend to introduce into evidence at the Settlement Hearing. You may not speak at the Settlement Hearing if you exclude yourself from the Settlement Class or if you have not provided written notice of your intention to speak at the Settlement Hearing in accordance with the procedures described in this Question 21 and in Question 16 above.

IF YOU DO NOTHING

22. What happens if I do nothing at all?

73. If you do nothing and you are a member of the Settlement Class, you will receive no money from this Settlement and you will be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against Defendants and the other Released Defendant Parties concerning the Released Plaintiff's Claims, including claims in the Ontario Action as a member of the Ontario Certified Class based on purchases of Cronos stock on the NASDAQ or any other U.S. exchange. To share in the Net Settlement Fund, you must submit a Claim Form (*see* Question 9 above). To start, continue, or be a part of any other lawsuit against Defendants and the other Released Defendant Parties concerning the Released Plaintiff's Claims (including in the Ontario Action), you must exclude yourself from the Settlement Class (*see* Question 11 above).

GETTING MORE INFORMATION

23. Are there more details about the Settlement?

74. This Notice summarizes the proposed Settlement. More details are in the Stipulation. You can get a copy of the Stipulation, and other documents related to the Settlement, as well as additional information about the Settlement, by visiting the website www.CronosUSSecuritiesSettlement.com. You may also call the Claims Administrator toll free at (877) 226-4986 or write to the Claims Administrator at *Cronos U.S. Securities Settlement,* c/o A.B. Data, Ltd., P.O. Box 173088, Milwaukee, WI 53217.

75. You may also review the Stipulation filed with the Court, or other documents in the case, during business hours at the Office of the Clerk of the United States District Court for the Eastern District of New York, 225 Cadman Plaza East, Brooklyn, NY 11201, between 8:30 a.m. and 4:45 p.m. on Monday through Friday, excluding Court holidays. (Please check the Court's website, www.nyed.uscourts.gov, for information about Court closures before visiting.) Subscribers to PACER, a fee-based service, can also view the papers filed publicly in the Action through the Court's on-line Case Management/Electronic Case Files System at https://www.pacer.gov.

Please do not call the Court with questions about the Settlement.

PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

24. How will my claim be calculated?

76. As discussed above, the Settlement Amount and any interest it earns is the Settlement Fund. The Settlement Fund, after the deduction of Court-approved attorneys' fees and Litigation Expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court, is the Net Settlement Fund. If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to Authorized Claimants – *i.e.*, members of the Settlement Class who timely submit valid Claim Forms that are accepted for payment – in accordance with the following proposed Plan of Allocation, or such other plan of allocation as the Court may approve. The Court may approve this proposed Plan of Allocation, or modify it, without additional individual notice to the Settlement Class. Any order modifying the Plan of Allocation will be posted on www.CronosUSSecuritiesSettlement.com and www.labaton.com.

77. The objective of this Plan of Allocation is to distribute the Net Settlement Fund equitably among those Settlement Class Members who suffered economic losses as a result of the alleged violations of the federal securities laws during the Class Period. To design the Plan of Allocation, Lead Counsel conferred with Lead Plaintiff's consulting damages expert. The Plan of Allocation, however, is not a formal damages analysis. The calculations made pursuant to the Plan of Allocation are not intended to estimate, or be indicative of, the amounts that Settlement Class Members might have been able to recover as damages after a trial. The calculations, including the Recognized Loss formulas, are also not intended to estimate the amounts that will be paid to Authorized Claimants. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund and the Recognized Claim amounts are the basis upon which the Net Settlement Fund will be proportionately allocated to Authorized Claimants. An individual Settlement Class Member's recovery will depend on, for example: (i) the total number and value of claims submitted; (ii) when the Claimant purchased or acquired Cronos publicly traded common stock; and (iii) whether and when the Claimant sold his, her, or its Cronos publicly traded common stock. The Claims Administrator will determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim."

78. For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the securities at issue. In this case, Lead Plaintiff alleges that Defendants issued false statements and omitted material facts during the Class Period, which allegedly artificially inflated the price of Cronos common stock. It is alleged that corrective information released to the market on February 24, 2020 (prior to market open), March 2, 2020 (after market close), March 17, 2020 (after market close), and March 30, 2020 (after market close) negatively impacted the price of Cronos common stock on February 24, 2020, March 3, 2020, March 18, 2020, and March 31, 2020 in a statistically significant manner and removed alleged artificial inflation from the price of Cronos common stock on those days. Accordingly, in order to have a compensable loss in this Settlement, Cronos common stock must have been purchased or otherwise acquired on the NASDAQ, or another U.S. public market, during the Class Period and been held through at least one of the alleged corrective disclosure dates listed above.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

79. For purposes of determining whether a Claimant has a Recognized Claim, purchases, acquisitions, and sales of Cronos publicly traded common stock will first be matched on a First In/First Out ("FIFO") basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period (May 9, 2019 through and including March 30, 2020).

80. A "Recognized Loss Amount" will be calculated as set forth below for each purchase of Cronos publicly traded common stock on the NASDAQ, or another U.S. public market, during the Class Period that is listed in the Claim Form and for which adequate documentation is provided. To the extent that the calculation of a Claimant's Recognized Loss Amount results in a negative number (a gain), that number shall be set to zero. The sum of a Claimant's Recognized Loss Amounts will be their Recognized Claim.

81. For each share of Cronos publicly traded common stock purchased or otherwise acquired on the NASDAQ, or another U.S. public market, during the Class Period and sold before the close of trading on June 26, 2020, an "Out of Pocket Loss" will be calculated. Out of Pocket Loss is defined as the purchase price (excluding all fees, taxes, and commissions) minus the sale price (excluding all fees, taxes, and commissions). To the extent that the calculation of an Out of Pocket Loss results in a negative number (a gain), that number shall be set to zero.

82. **For each share of Cronos common stock purchased from May 9, 2019 through and including March 30, 2020, and:**

A. Sold before February 24, 2020, the Recognized Loss Amount for each such share shall be zero.

B. Sold from February 24, 2020 through and including March 30, 2020, the Recognized Loss Amount for each such share shall be ***the lesser of***:

   1. the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below minus the dollar artificial inflation applicable to each such share on the date of sale as set forth in **Table 1** below; or

   2. the Out of Pocket Loss.

C. Sold from March 31, 2020 through and including June 26, 2020, the Recognized Loss Amount for each such share shall be ***the least of***:

   1. the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below; or

   2. the actual purchase/acquisition price of each such share minus the average closing price from March 31, 2020, up to the date of sale as set forth in **Table 2** below; or

   3. the Out of Pocket Loss.

D. Held as of the close of trading on June 26, 2020, the Recognized Loss Amount for each such share shall be ***the lesser of***:

   1. the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below; or

   2. the actual purchase/acquisition price of each such share minus $6.11.[3]

Table 1

Cronos Common Stock Artificial Inflation for Purposes of Calculating Purchase and Sale Inflation	
Transaction Date	**Artificial Inflation Per Share[4]**
5/9/2019 - 2/23/2020	$2.32
2/24/2020 - 3/2/2020	$1.74
3/3/2020 - 3/17/2020	$1.16
3/18/2020 - 3/30/2020	$0.69
3/31/2020 - Present	$0.00

[3] Pursuant to Section 21D(e)(1) of the Exchange Act, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market." Consistent with the requirements of the Exchange Act, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of Cronos common stock during the "90-day look-back period," March 31, 2020 through June 26, 2020. The mean (average) closing price for Cronos common stock during this 90-day look-back period was $6.11.

[4] Artificial inflation per-share reflects the amount of inflation dissipated on each date, as estimated by Lead Plaintiff's consulting damages expert. Defendants do not concede, and expressly deny, that Cronos stock had any artificial inflation. In Table 1, the per-share artificial inflation dissipated on March 18, 2020 has been reduced by 50% as a result of a lack of statistical significance under certain scenarios and reflects a close-to-open abnormal dollar movement, rather than a close-to-close abnormal dollar movement (as is commonly performed and was done with the other dates).

Table 2

Cronos Common Stock Closing Price and Average Closing Price During 90-Day Look-Back Period					
Date	**Closing Price**	**Average Closing Price From March 31, 2020 to Date Shown**	**Date**	**Closing Price**	**Average Closing Price From March 31, 2020 to Date Shown**
3/31/2020	$5.67	$5.67	5/14/2020	$4.94	$5.74
4/1/2020	$5.24	$5.46	5/15/2020	$5.53	$5.73
4/2/2020	$5.42	$5.44	5/18/2020	$5.58	$5.73
4/3/2020	$5.52	$5.46	5/19/2020	$5.60	$5.72
4/6/2020	$5.77	$5.52	5/20/2020	$5.54	$5.72
4/7/2020	$5.62	$5.54	5/21/2020	$6.20	$5.73
4/8/2020	$6.07	$5.62	5/22/2020	$6.70	$5.76
4/9/2020	$5.79	$5.64	5/26/2020	$6.66	$5.78
4/13/2020	$5.79	$5.65	5/27/2020	$6.72	$5.80
4/14/2020	$6.01	$5.69	5/28/2020	$6.74	$5.83
4/15/2020	$5.88	$5.71	5/29/2020	$6.53	$5.84
4/16/2020	$5.80	$5.72	6/1/2020	$6.62	$5.86
4/17/2020	$5.99	$5.74	6/2/2020	$6.43	$5.87
4/20/2020	$6.07	$5.76	6/3/2020	$6.46	$5.89
4/21/2020	$5.94	$5.77	6/4/2020	$6.69	$5.90
4/22/2020	$5.90	$5.78	6/5/2020	$6.60	$5.92
4/23/2020	$5.99	$5.79	6/8/2020	$8.02	$5.96
4/24/2020	$6.20	$5.81	6/9/2020	$7.51	$5.99
4/27/2020	$6.44	$5.85	6/10/2020	$7.59	$6.03
4/28/2020	$6.27	$5.87	6/11/2020	$6.42	$6.03
4/29/2020	$6.23	$5.89	6/12/2020	$6.47	$6.04
4/30/2020	$5.94	$5.89	6/15/2020	$6.51	$6.05
5/1/2020	$5.64	$5.88	6/16/2020	$6.72	$6.06
5/4/2020	$5.84	$5.88	6/17/2020	$6.58	$6.07
5/5/2020	$5.74	$5.87	6/18/2020	$6.56	$6.08
5/6/2020	$5.57	$5.86	6/19/2020	$6.42	$6.09
5/7/2020	$5.59	$5.85	6/22/2020	$6.45	$6.09
5/8/2020	$5.42	$5.83	6/23/2020	$6.53	$6.10
5/11/2020	$5.27	$5.81	6/24/2020	$6.38	$6.11
5/12/2020	$5.18	$5.79	6/25/2020	$6.31	$6.11
5/13/2020	$4.84	$5.76	6/26/2020	$6.00	$6.11

ADDITIONAL PROVISIONS

83. Purchases, acquisitions, and sales of Cronos common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" or "sale" date. The receipt or grant by gift, inheritance, or operation of law of Cronos common stock during the Class Period shall not be deemed a purchase, acquisition, or sale for the calculation of a Claimant's Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase or acquisition of such shares of Cronos common stock unless (i) the donor or decedent purchased or otherwise acquired such shares of Cronos common stock during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such shares of Cronos common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

84. In accordance with the Plan of Allocation, the Recognized Loss Amount on any portion of a purchase or acquisition that matches against (or "covers") a "short sale" is zero. The Recognized Loss Amount on a "short sale" that is not covered by a purchase or acquisition is also zero.

85. Cronos publicly traded common stock purchased or acquired from May 9, 2019 through March 30, 2020, both dates inclusive, on the NASDAQ or another public U.S. market for trading stocks, is the only security eligible for a recovery under the Plan of Allocation. With respect to Cronos publicly traded common stock purchased or sold through the exercise of an option, the purchase/sale date of the Cronos common stock is the exercise date of the option, and the purchase/sale price is the exercise price of the option.

86. An Authorized Claimant's Recognized Claim shall be the amount used to calculate the Authorized Claimant's *pro rata* share of the Net Settlement Fund. If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

87. If the Net Settlement Fund exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

88. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is $10.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than $10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

89. Settlement Class Members who do not submit acceptable Claim Forms will not share in the distribution of the Net Settlement Fund, however they will nevertheless be bound by the Settlement and the final Judgment of the Court dismissing this Action and related claims.

90. Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement and the Settlement has reached its Effective Date. If there is any balance remaining in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise) after at least six (6) months from the date of initial distribution of the Net Settlement Fund, Lead Counsel shall, if feasible and economical, redistribute such balance among Authorized Claimants who have cashed their checks in an equitable and economic fashion, after payment of Notice and Administration Expenses, Taxes, and any unpaid attorneys' fees and expenses. These redistributions shall be repeated until the balance in the Net Settlement Fund is no longer feasible and economical to distribute. Any balance that still remains in the Net Settlement Fund after re-distribution(s), which is not feasible or economical to reallocate, after payment of Notice and Administration Expenses, Taxes, and any unpaid attorneys' fees and expenses, shall be contributed to the Council of Institutional Investors, a non-sectarian, not-for-profit organization certified as tax-exempt under Section 501(c) of the Code, or such other non-sectarian, not-for-profit organization designated by Lead Plaintiff and approved by the Court.

91. Payment pursuant to the Plan of Allocation, or such other plan as may be approved by the Court, shall be conclusive against all Claimants. No person shall have any claim against Lead Plaintiff, Plaintiff's Counsel, their damages expert, the Claims Administrator, or other agent designated by Lead Counsel, arising from determinations or distributions to Claimants made substantially in accordance with the Stipulation, the Plan of Allocation approved by the Court, or further orders of the Court. Lead Plaintiff, Defendants, Defendants' Counsel, and all other Released Defendant Parties shall have no responsibility for or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the Plan of Allocation or the determination, administration, calculation, or payment of any Claim Form or non-

performance of the Claims Administrator, the payment or withholding of Taxes owed by the Settlement Fund or any losses incurred in connection therewith.

SPECIAL NOTICE TO SECURITIES BROKERS AND NOMINEES

92. In connection with the previously disseminated class notice in the Ontario Action, you may have been advised by A.B. Data that if you held Cronos shares acquired in the secondary market during the Class Period for the beneficial interest of your customers, you were to either: (i) request from A.B. Data sufficient copies of the Ontario Action notice to forward to your customers; or (ii) provide a list of the names, addresses, and emails (if available) of all such beneficial owners to A.B. Data.

93. For nominees who previously chose the first option (*i.e.*, elected to mail the Ontario notice directly to beneficial owners), A.B. Data will forward the same number of Postcard Notices for the Settlement and nominees have been ordered by the Court to, within ten (10) calendar days of receipt of the Postcards, mail them to the beneficial owners. Unless the nominee has identified additional beneficial owners whose names and addresses were not previously provided to A.B. Data, such nominees need not take any further action.

94. For nominees who previously chose the second option (*i.e.*, provided a list of names, addresses, and emails of beneficial owners to A.B. Data), A.B. Data will promptly email (and mail, if applicable) Postcard Notices for the Settlement to each of the beneficial owners whose names, addresses, and emails the nominee previously supplied. Unless the nominee has identified additional beneficial owners whose names and addresses were not previously provided to A.B. Data, such nominees need not take any further action.

95. For nominees that have identified additional beneficial owners who were not previously identified in connection with the Ontario Action, such nominees shall either: (i) within ten (10) calendar days of receipt of the Notice, request from A.B. Data sufficient copies of the Postcard to forward to all such additional beneficial owners, which the nominee shall, within ten (10) calendar days of receipt of those Postcards from A.B. Data, mail to the beneficial owners; or (ii) within ten (10) calendar days of receipt of the Notice, provide a list of the names, addresses, and emails (if available) of all such additional beneficial owners to A.B. Data, and A.B. Data shall provide Postcards to these additionally identified Persons.

96. Nominees who elect to send the Postcard Notice for the Settlement to their beneficial owners shall also send a statement to the Claims Administrator confirming that the mailing was made and shall retain their mailing records for use in connection with any further notices that may be provided in the Action.

97. Upon FULL AND TIMELY compliance with these directions, nominees who mail the Postcards to beneficial owners, or who provide additional names, addresses, and emails of beneficial owners to A.B. Data, may seek reimbursement of their reasonable expenses actually incurred in complying of up to $0.10 per name/address/email provided and up to $0.10, plus postage at A.B. Data's rate for bulk mailings, by providing A.B. Data with proper documentation supporting the expenses for which reimbursement is sought. Nominees whose research yields no records, or a minimal number of beneficial owners, may ask A.B. Data to consider an upward adjustment for the reasonable costs incurred to perform their research. Such properly documented expenses incurred by nominees in compliance with these directions shall be paid from the Settlement Fund, with any disputes as to the reasonableness or documentation of expenses subject to review by the Court.

98. All communications concerning the foregoing should be addressed to the Claims Administrator:

Cronos U.S. Securities Settlement
c/o A.B. Data, Ltd.
P.O. Box 173088
Milwaukee, WI 53217
(877) 226-4986
www.CronosUSSecuritiesSettlement.com
info@CronosUSSecuritiesSettlement.com

Dated: September 9, 2026

BY ORDER OF THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK